

**USDA - RURAL DEVELOPMENT, MINNESOTA
SECTION 515 RURAL RENTAL HOUSING - FY 2006
NOTICE OF FUNDING AVAILABILITY (NOFA)
INFORMATION FOR APPLICANTS**

I. LIST OF DESIGNATED PLACES

Applications for Section 515 new construction loans will be accepted for the following places only. Places on this list are considered equal with no regard to their order on the list. Inclusion on this list does not indicate that a need or demand for Section 515 housing has been established.

<u>City</u>	<u>County</u>
Ada	Norman
Albert Lea	Freeborn
Alexandria	Douglas
Atwater	Kandiyohi
Avon	Stearns
Babbitt	St. Louis
Bagley	Clearwater
Battle Lake	Otter Tail
Baudette	Lake of the Woods
Becker	Sherburne
Belgrade	Stearns
Belle Plaine	Scott
Big Lake	Sherburne
Blue Earth	Faribault
Braham	Isanti
Brooten	Stearns
Brownsdale	Mower
Byron	Olmsted
Caledonia	Houston
Cannon Falls	Goodhue
Carlton	Carlton
Cass Lake	Cass
Chatfield	Fillmore
Chisago City	Chisago
Clarkfield	Yellow Medicine
Cloquet	Carlton
Cold Spring	Stearns
Cook	St. Louis
Crookston	Polk
Crosby	Crow Wing

City

Detroit Lakes
Eagle Bend
Eagle Lake
Elbow Lake
Elgin
Eveleth
Eyota
Faribault
Fertile
Foley
Fosston
Frazee
Gibbon
Gilbert
Glenville
Glyndon
Goodhue
Goodview
Grand Marais
Grand Meadow
Granite Falls
Hallock
Hawley
Hayfield
Henning
Hinckley
Hokah
Holdingford
Houston
International Falls
Isanti
Janesville
Kasson
Keewatin
Kimball
Lake Park
Lamberton
Lanesboro
Lewiston
Lindstrom
Litchfield
Little Rock
Mahnomen
Mapleton

County

Becker
Todd
Blue Earth
Grant
Wabasha
St. Louis
Olmsted
Rice
Polk
Benton
Polk
Becker
Sibley
St. Louis
Freeborn
Clay
Goodhue
Winona
Cook
Mower
Chippewa
Kittson
Clay
Dodge
Otter Tail
Pine
Houston
Stearns
Houston
Koochiching
Isanti
Waseca
Dodge
Itasca
Stearns
Becker
Redwood
Fillmore
Winona
Chisago
Meeker
Beltrami
Mahnomen
Blue Earth

City

Marble
McIntosh
Medford
Melrose
Menahga
Milaca
Montevideo
Montgomery
Moose Lake
Mora
Morris
Motley
Nashwauk
New London
New Prague
New Richland
Nicollet
Northfield
Olivia
Onamia
Park Rapids
Parkers Prairie
Paynesville
Perham
Pierz
Preston
Princeton
Red Lake
Red Lake Falls
Red Wing
Renville
Richmond
Roseau
Royalton
Rush City
St. Charles
St. Peter
Spicer
Spring Grove
Spring Valley
Stacy
Staples
Starbuck
Stewartville

County

Itasca
Polk
Steele
Stearns
Wadena
Mille Lacs
Chippewa
Le Sueur
Carlton
Kanabec
Stevens
Morrison
Itasca
Kandiyohi
Le Sueur
Waseca
Nicollet
Rice
Renville
Mille Lacs
Hubbard
Otter Tail
Stearns
Otter Tail
Morrison
Fillmore
Mille Lacs
Beltrami
Red Lake
Goodhue
Renville
Stearns
Roseau
Morrison
Chisago
Winona
Nicollet
Kandiyohi
Houston
Fillmore
Chisago
Todd
Pope
Olmsted

City

Taylors Falls
Thief River Falls
Tracy
Twin Valley
Two Harbors
Wabasha
Wadena
Wanamingo
Warroad
Waterville
Watkins
Wells
Wheaton
White Earth
Willmar
Winthrop

County

Chisago
Pennington
Lyon
Norman
Lake
Wabasha
Wadena
Goodhue
Roseau
Le Sueur
Meeker
Faribault
Traverse
Becker
Kandiyohi
Sibley

Carlton/St. Louis
Cass/Beltrami/Itasca
Mille Lacs
Beltrami

- * Fond du Lac Reservation
- * Leech Lake Reservation
- * Mille Lacs Reservation
- * Red Lake Reservation

* Places identified with an asterisk (*) are eligible for 20 points under the Agency's scoring criteria as Indian reservations located within the boundaries of tribal allotted or trust land (high need places).

II. FUNDING AVAILABILITY

The maximum RHS loan amount for FY 2006 is \$1 million. No state will be awarded more than \$2.5 million in total funds. Applications not conforming to the loan limit will be returned without further review.

III. ADDRESS FOR SUBMISSION OF APPLICATION

Applications will be accepted at the Minnesota USDA Rural Development State Office at the following address:

USDA Rural Development
ATTN: MFH Division
375 Jackson Street, Suite 410
St. Paul, MN 55101-1853

APPLICATIONS MUST BE RECEIVED BY 5:00 PM on May 19, 2006. Applications received after the deadline will be returned without further review.

IV. CONTACT POINT

Questions may be directed to: Peter Lundquist (651) 602-7782

V. APPLICATION CONTENT AND FORMS

An initial loan application package is enclosed for your use. Applications must include all of the materials outlined in HB-1-3560 Chapter 4 Exhibits 4-6 and 4-7. Incomplete applications will be returned without further review.

VI. MISCELLANEOUS

Rural Development regulations, handbooks, administrative notices, and forms are available on our web site at www.rurdev.usda.gov or www.rurdev.usda.gov/mn

To maximize the number of units produced with Section 515 loan funds, preference points are given to applications that include funds from other sources. Scoring and ranking criteria are enclosed for your information.

MFH appraisals for new construction loans must be ordered and paid for by the loan applicant. The actual cost of the appraisal service should be included in the loan request in accordance with 7 CFR 3560.53(m).

A professional market study meeting the requirements of HB-1-3560 Chapter 4 Section 3 Paragraph 4.18 and Exhibits 4-10 and 4-11 must be included in the initial application.

Rental Assistance (RA) will not be available from the National Office for use with Section 515 new construction loans. Therefore, caution should be exercised when examining project feasibility. The market study must clearly indicate a presence of persons whose incomes would qualify (at tax credit levels if appropriate) and still be able to afford the basic rent. Basic rents may not exceed rents for comparable units in the market.

Loan requests must reflect the project type (family or elderly) of greatest proportionate need based on the market study. Additionally, the proposed bedroom mix must reflect the needs in the market area.

Modest community rooms are encouraged in all proposals regardless of project type, to provide a place for special quality of life activities and services, as well as to provide a space for resident and community meetings.

All proposals must meet the project location, site, environmental, design and cost requirements outlined in HB-1-3560 Chapter 3 Sections 2, 3, and 4.

All proposals must comply with Federal accessibility regulations (Section 504, FHA, and ADA).